

FINANCE & UTILITY COMMITTEE MEETING
Wednesday, April 17, 2019, 6:00 PM

The Committee meeting was called to order at 6:00 p.m. by Mayor Jeff Snoots. Those present included: Mayor Jeff Snoots, Council Member John Dayton, Council Member Tom Smith, Committee Member Carroll Jones, Committee Member Syree Williams, City Administrator David Dunn, Public Works Director John Gerstner, Chief of Police Milt Frech, Water Superintendent Matt Campbell, Waste Water Superintendent Patrick Hoffmaster, City Clerk Carrie Myers, and Accountant Rich Marshall.

- FY2020 Budget
 - Shirley Shores requested budget funds for BEACON/Emergency Relief Fund. Mayor Snoot's recommendation is to budget \$3,000 for BEACON and \$3,000 for Food Bank.
 - Mr. Dunn discussed preliminary water and sewer rates. He stated he believes an increase will be necessary, more for water than sewer, but still necessary. He stated that rates cannot be increased enough to cover the necessary repairs we need to make next fiscal year, and recommended we utilize a portion of the up to \$6 million loan the Council authorized borrowing for enterprise projects. Both Mr. Jones and Mr. Smith felt a resolution would be a good idea to designate for posterity which projects the loan funds were spent towards.
 - Mr. Dunn recommended dropping the property tax rate from \$0.42 to the Constant Yield rate of \$0.41, simply because we know water and sewer rates will need to be raised, and the general fund has a healthier reserve, therefore the higher property tax rate isn't necessary at this time. Mr. Dayton stated he'd like to keep the property tax rate higher, so that we can continue to build general fund reserves for future needs. Ms. Williams agreed with Mr. Dayton. Mr. Smith and Mr. Jones wanted to lower to Constant Yield. Mayor Snoots also wanted to lower rates therefore, that will be the recommendation to the Council at the next meeting.
 - Other large expenditures were discussed such as vehicle and equipment purchases, extended project maintenance, etc.
- FY2018 Budget Transfer – General Fund Balance to Capital Projects – Mr. Dunn explained this is to move the \$366,835 general fund surplus to the Capital reserves. Consensus is to recommend approval at May Council meeting.
- Clark Azar Work Order #335.016 – Sports Complex Design – Mr. Dunn explained this is for engineering work at the Sports Complex in the amount of \$43,000. Consensus is to recommend approval at May Council meeting.
- Reservoir Line Epoxy Relining Proposal – Mr. Dunn and Mr. Campbell explained this item, which is just FYI for future projects. If the City decides to abandon the reservoir and upgrade to newer storage options, this relining project will be unnecessary.
- FY2020 Insurance Rates – Mr. Dunn and Ms. Myers explained staff would recommend decreasing the employee deductible contributions to \$300/\$600. Consensus is to recommend approval at next Council meeting.
- The Committee set the next meeting for Wednesday, April 24, 2019 at 6pm.

The meeting adjourned at 7:55pm.

-Prepared and submitted by Carrie Myers